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C O N F I D E N T I A L LA PAZ 000056

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TAGS: [ECON](#) [PGOV](#) [PREL](#) [VN](#) [BL](#)
SUBJECT: EVO RECASTS HIMSELF AS PEACEMAKER

REF: LA PAZ 9

Classified By: Acting EcoPol Chief Brian Quigley for reasons
1.4 (b) and (d)

¶1. (C) Summary: Despite heated rhetoric leading up the event, a January 7-8 meeting between Bolivian President Evo Morales and nine department prefects (state governors) was surprisingly conciliatory. Participants agreed to attempt to resolve demands from opposition-led departments with a national unity pact. The government agreed to change the draft constitution accordingly prior to submitting it to a national referendum. Morales even invited the prefects to spend a shared vacation with him during Carnival. Prefects appear disarmed by the new kinder, gentler Evo, but remain cautiously optimistic. The La Paz Prefect told EmbOff whether the new approach is show or substance should be clear by January 14, when the prefects and Morales meet to discuss progress of the working groups. If the government has not advanced concrete proposals by then, the outreach may only result in an extension of the Christmas peace pact through the Carnival holiday (February 4-5). Whether government stall tactic, a sign of MAS weakness, or a genuine overture to national unity, the new government approach is a welcome departure from escalating hostility with the opposition. End Summary.

Evo/Prefect Meeting: Surprisingly Kumbuya

¶2. (U) President Evo Morales and Bolivia's nine prefects (governors) were civil and constructive during a marathon, eleven-hour meeting January 7-8 to discuss the complaints of five opposition-led departments (states) that went through the night. Both sides were surprisingly conciliatory, considering the heated, intransigent rhetoric leading up to the meeting (reftel). Morales proposed a national agreement with the prefects "for a new country" because "the people want us to stay together. ... Let us work together to resolve our differences." He suggested the leaders spend the Carnival holiday together in Oruro, Santa Cruz, Cochabamba, or Tarija as a symbol of national unity, which has been strained by the autonomy movement in opposition-led departments and government passage of the constitution and

legislation without opposition input.

¶3. (U) Although he did not dismiss the possibility of a joint holiday with Morales, Pando Prefect Leopoldo Fernandez urged meeting participants to focus on the substantive issues at hand. Opposition Prefect Ruben Costas from Santa Cruz supported the idea of a pact with national government and called for national "spiritual disarmament" similar to what President Nelson Mandela accomplished in South Africa.

¶4. (U) Despite pre-meeting speculation the government would attempt to kidnap, detain, or otherwise threaten visiting prefects with police or through street demonstrations, there was no violence of note associated with the meeting. A small group of pro-government protesters burned copies of opposition department autonomy decrees outside the presidential palace.

GOB Offers Reopening MAS Constitution for Prefect Pact

¶5. (U) At 0300 Pando Prefect Fernandez asked the media to leave the room for a more "intimate" session that lasted until 0500. During this session, prefects discussed the establishment of a commission proposed by Morales to achieve a national unity pact between prefect and national governments. Morales and the prefects agreed prefect representatives would work with Presidency Minister Juan Ramon Quintana on the following subjects: national unity, democratic institutionalism, state control of the economy, supporting the process of "change," departmental autonomy, assistance to the elderly (renta dignidad), increased government transparency, respect for public and private property, and a recall referendum for the president and prefects. Three sub-committees will be established to discuss legal issues (headed by Government Vice Minister Hector Arce), economics/hydrocarbon revenue, and autonomy (headed by Defense Minister Walker San Miguel).

¶6. (C) Vice President Alvaro Garcia Linera opened the possibility of revising the draft Constitution ostensibly approved during a December 9 session of the Constituent Assembly (CA) by the ruling MAS party. (Note: The opposition was largely unable to attend the session convened on short notice in Oruro city, far from the CA Sucre headquarters. They were also blocked out of Congress when a controversial law was approved in November that would redistribute hydrocarbons tax revenue from prefect coffers to a fund for the elderly-renta dignidad. End Note.)

¶7. (U) Morales said any changes to the constitution resulting from an agreement with the prefects would be made prior to sending the constitution to a national referendum. Prefects cautioned that most citizens were wholly unaware of the contents of the constitution. Morales also expressed surprising flexibility on hydrocarbon revenue sharing as well, stating "we cannot let the prefects down."

La Paz Prefect Comes Out Swinging

¶8. (U) Normally fiery opposition prefects were on their best behavior, leaving La Paz Prefect Jose Luis Paredes with the most confrontational moments of the meeting. Paredes asked Morales why he ignored the needs of La Paz Department, despite La Paz's key role electing him to office. "If the economy is so great, why have there been no public works for La Paz; because of the government's discrimination for pacenos." Paredes said the only help his constituents receive is from Venezuelan checks to mayors, which he found "humiliating" and consistent with the government's "submission" to the Venezuelan Government. After a few awkward moments of silence, Vice President Garcia Linera responded that a road project and petroleum exploration were planned for La Paz, to which Morales added "it is impossible to meet all the demands in two years." Paredes also accused Morales of authoritarianism and racism, despite Morales' allegedly weak claims to the indigenous Aymara ancestry.

"Stop it, you are no more indigenous than I am."

Cautious Optimism

¶9. (C) When asked whether he thought his comments could have angered Morales and affected his disposition to negotiate, Paredes told EmbOff. "I said what I had to say and what he does not hear enough of. Sure, he could take it negatively, but it had to be done come what may." Paredes said he said he was pleasantly surprised at the "positive" meeting and held real hope it could result in a solution for the country.

He said the next step is a series of technical meetings during the week, starting with a technical meeting January 9 to discuss the hydrocarbons law. Prefects will not meet again until 1000 Monday, January 14, when he said the true intentions of the government will be clear based on whether or not concrete measures emerge from the working groups. In any event, Paredes said his strategy will not change: push for La Paz projects and representation. He said the Media Luna prefects and Morales were in a much more complicated negotiation situation, having to back away from the bravado and standoff of the past weeks.

Substance or Subterfuge?

¶10. (C) Ernesto Farfan, the Economic Development Secretary for the Tarija Prefect, told EmbOff the meetings have so far yielded a truce that might create the breathing room needed for an agreement, but that the substantive work would start today. He said the Tarija Prefect's Office remained skeptical, but viewed as positive Morales' opening of constitution and recognition of the autonomous movement. Human Rights Ombudsman Waldo Albarracin characterized the meeting as a positive starting point for negotiations. Albarracin's independent government office spearheaded efforts to organize religious, social, and labor groups calling on both sides for to reach a unity pact.

Comment

¶11. (C) Prefects have told us they needed to give dialogue another chance, despite reservations that Evo would not be willing to negotiate key issues such as the constitution and hydrocarbons law or would not stand by any compromises. Prefects have reason to be leery. Government and MAS-party leaders have presented a confusing mix of messages leading up to the event ranging from "everything is on the table" to listing as "non-negotiable" every key disputed issue, sometimes in the same speech. Morales has made such contentious issues as distribution of the hydrocarbon tax, payments to the elderly, and a recall referendum topics in a proposed "national agreement" with prefects following public statements last week that these issues were not negotiable. Vice President Garcia Linera's suggestion to open up the constitution comes just a day after he said it was off the table. Although Evo's new, more conciliatory approach is welcome, the sincerity of such a radical readjustment of the government's negotiating posture has to be suspect as either empty public posturing to appear "reasonable" or a realization that the government is dealing from a position of weakness (initial public polls show an uphill struggle to approve the constitution) and cannot simply force their will on opposition departments. In any event, Evo doesn't loose much by trying dialogue and expanding the Christmas truce until after Carnival (1st week of February), as his security forces and/or hard-core rural supporters are ill-prepared to support a more heavy-handed approach before then.

¶12. (C) Comment Continued: If Evo is in fact serious about reaching a compromise, he will have to break promises to his core supporters and reopen the "final" MAS-drafted Constitution, a slap in the face to his supporters in the Constituent Assembly. Morales' supporters are likely to forgive such reversals as their champion's latest incarnation, Evo the peacekeeper, explains "the people" want

a compromise to hold the country together. But opposition leaders must be wondering if such proclivity for revising ostensibly closed subjects will also pertain to any eventual agreement they reach with the government. In Evo's world, it seems, the haggling begins after legislation, constitutions, and agreements are "approved." End Comment.

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